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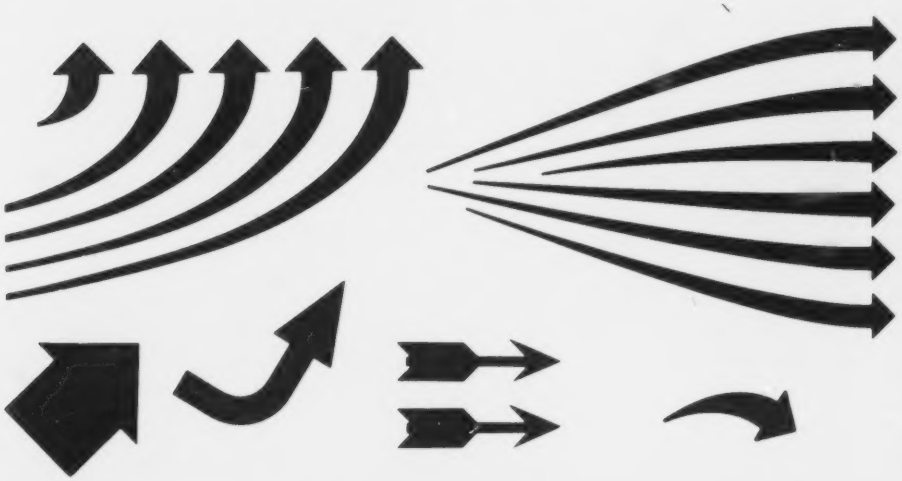
May 1984

JOB SERVICE WISCONSIN

Wisconsin Employment and Economic Indicators

84 ECONOMIC FORECAST 85



WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Personal Income	"Business Week," McGraw Hill
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Manufacturing Employment	Wis. Dept. of Industgry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR APRIL

LEADING INDICATORS OF WISCONSIN ECONOMIC ACTIVITY ARE SOMEWHAT MIXED IN APRIL. THE COMPOSITE INDEX OF LEADING INDICATORS ROSE, BUT JUST SLIGHTLY.

EMPLOYMENT GREW SIGNIFICANTLY DURING THE MARCH-TO-APRIL PERIOD WHILE UNEMPLOYMENT DECREASED AT ABOUT THE NORMAL SEASONAL TREND. THE LARGE EMPLOYMENT GAINS WERE ACCOMPANIED WITH AN EXPANDING LABOR FORCE, SO, WHILE THE UNEMPLOYMENT RATE DECREASED, IT DID SO AT THE USUAL SEASONAL PACE.

LEADING INDICATORS

Leading indicators of economic activity throughout Wisconsin gave mixed signals in April. The average number of hours worked per week by production workers in manufacturing increased slightly; but, even a small increase is improvement over the usual April decrease. Overtime hours in manufacturing decreased, but by less than the normal amount for the month. The work hours data suggests that manufacturing employers are still opting to increase the work week rather than hire more help and are yet hedging on economic prosperity.

The average number of initial claims for unemployment compensation grew in April. The initial claims average usually decreases from March to April.

The total number of job openings received by state Job Service offices decreased from one month earlier, but the decrease was small. Employers' requests to Job Service offices to send workers for job interviews, job openings, normally increase during April.

New business incorporations decreased in April. Incorporations usually increase then.

A positive indicator of business growth is the net gain in business telephone access lines. The figure doesn't include extensions on an already operative access line, so, is indicative of business establishment growth.

The number of building plans examined increased over the month. Commercial and industrial building plans must be examined and approved by the state for compliance with safety regulations. April's increased examinations didn't match the normal March to April trend which increases.

WISCONSIN LABOR FORCE

Employment growth from March to April of over thirty-four thousand significantly reduced the number of unemployed. Though the employment level usually does increase in the April measurement, this month's growth greatly exceeds the normal seasonal pattern.

The trade and service sectors of the economy showed employment gains much above normal for this time of the year, adding 12,400 jobs combined.

Gains in the manufacturing and in the Finance, Insurance and Real Estate sectors were about normal.

Growth in government, in transportation and public utilities, and in construction were below average.

The improved total employment cut unemployment by nearly 30-thousand. That is about normal for April. A more typical March-to-April scenario would be much less employment gain coupled with about the same unemployment reduction resulting in a labor force decrease. This April's small labor force increase, therefore, is above the usual seasonal trend. The unemployment rate decreased at a seasonally normal amount because the labor force growth offset unusual employment gains.

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	% CHANGE Yr/Ago	AVG. 1983
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	73.3	Apr	73.2	54.3	0.1	35.0	58.0
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.3	Apr	41.2	40.2	0.2	2.7	40.7
Seasonally Adjusted		41.8		41.2	40.7	1.4	2.7	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.0	Apr	3.2	2.4	-6.3	25.0	2.8
Seasonally Adjusted		3.7		3.4	3.0	8.8	23.3	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	10,539	Apr	9,515	17,033	10.8	-38.1	14,694
Seasonally Adjusted		11,188		9,689	18,088	15.5	-38.2	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	7,610	Apr	7,841	6,156	-3.0	23.6	7,099
Seasonally Adjusted		8,156		8,850	6,601	-7.8	23.6	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	601	Apr	673	588	-10.7	2.2	544
Seasonally Adjusted		551		634	539	-13.1	2.2	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	1,391	Apr	-77	1,246	1906.5	11.6	892
Seasonally Adjusted		326		-10	706	3360.0	-53.8	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	325	Apr	280	280	16.1	16.1	275
Seasonally Adjusted		401		427	345	-6.1	16.2	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	46	Apr	50	30	-8.0	53.3	38
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	7.6	Apr	8.8	11.9	-	-	10.4
Seasonally Adjusted		8.3		8.3	11.0	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	393.8	Mar	352.5	319.7	11.7	23.2	247.9
Seasonally Adjusted		292.6		226.0	237.6	29.5	23.2	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	16,253	Apr	15,021	14,611	8.2	11.2	14,429
Seasonally Adjusted		15,368		11,468	13,807	34.0	11.3	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	1902.0	Mar	1749.5	1718.7	8.7	10.7	1,765
Seasonally Adjusted		1861.1		1818.6	1682.3	2.3	10.6	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	66.0	Apr	74.4	20.2	-11.3	226.7	143.3
Seasonally Adjusted		65.0		88.3	19.9	-26.4	226.6	

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG. 1983
C7 PERSONAL INCOME								
Unadjusted	MIL. DOL.	4,709	Jan	4,801	4,265	-1.9	10.4	4,449
Seasonally Adjusted		4,733		4,698	4,288	0.7	10.4	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	417.13	Apr	416.94	391.55	0.1	6.5	398.01
Seasonally Adjusted		423.05		416.11	397.06	1.7	6.6	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	376.1	Feb	432.8	383.0	-13.1	-1.8	415.3
Seasonally Adjusted		427.9		418.2	435.8	2.3	-1.8	
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	51.3	Apr	48.5	47.0	5.8	9.2	55.0
Seasonally Adjusted		58.4		59.7	53.5	-2.2	9.2	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	5,979	Apr	5,862	5,911	2.0	1.2	6,006
Seasonally Adjusted		6,145		5,862	6,073	4.8	1.2	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,553	Apr	3,304	3,117	7.5	14.0	3,391
Seasonally Adjusted		3,697		3,214	3,244	15.0	14.0	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,426	Apr	2,558	2,794	-5.2	-13.2	2,615
Seasonally Adjusted		2,460		2,704	2,835	-9.0	-13.2	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	2,054	Apr	1,693	2,015	21.3	1.9	3,340
Seasonally Adjusted		2,237		2,637	2,194	15.2	2.0	
X5 CONSUMER PRICE INDEX (MILW.)				(Jan)				
Unadjusted	INDEX	316.8	Mar	314.0	305.0	0.9	3.9	309.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	145	Mar	145	144	0	0.7	142
Seasonally Adjusted		144		143	143	0.7	0.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	-1,734	Apr	942	1,196	-284.1	-245.0	872
Seasonally Adjusted		-20		739	524	-102.7	-103.8	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	THOUS.	1,062	Apr	329	1,082	222.8	-1.9	2,542
Seasonally Adjusted		2,419		325	2,463	644.3	-1.8	
X9 MANUFACTURING EMPL.								
Unadjusted	THOUS.	498.7	Apr	497.0	470.9	0.3	5.9	486.0
Seasonally Adjusted		506.3		506.6	477.9	-0.1	5.9	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2426.9	2422.1	2440.5	0.2	-0.6
Employment (Inc. Labor Disputes)	2243.0	2208.6	2149.8	1.6	4.3
Unemployment	183.9	213.5	290.7	-13.9	-36.7
Unemployment Rate	7.6	8.8	11.9	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2448.9	2434.2	2431.2	0.6	0.7
Employment (Inc. Labor Disputes)	2246.5	2231.4	2163.7	0.7	3.8
Unemployment	202.4	202.8	267.5	-0.2	-24.3
Unemployment Rate	8.3	8.3	11.0	-	-

WISCONSIN EMPLOYMENT ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	1878.2	1858.1	1820.8	1.1	3.2
Unadjusted					
Manufacturing	497.7	496.7	469.9	0.2	5.9
Mining	2.2	1.9	1.8	15.8	22.2
Contract Construction	51.3	48.5	47.0	5.8	9.2
Transportation and Public Utilities	86.0	85.4	85.4	0.7	0.7
Elec., Gas and Sanitary Services	16.8	16.8	16.5	0.0	1.8
Wholesale Trade	98.4	97.2	95.1	1.2	3.5
Retail Trade	331.6	322.9	323.4	2.7	2.5
General Merchandise	42.8	42.4	43.3	0.9	-1.2
Finance, Insurance and Real Estate	97.7	97.1	96.3	0.6	1.4
Banking	27.1	27.1	26.5	0.0	2.3
Insurance	31.7	31.6	32.5	0.3	-2.5
Service and Miscellaneous	390.3	387.7	382.1	0.7	2.2
Hospitals	71.6	72.2	74.7	-0.8	-4.2
Private Education	23.2	23.1	23.8	0.4	-2.5
Government	322.9	320.7	319.6	0.7	1.0
State Government	82.2	80.9	81.6	1.6	0.7
Local Government	212.5	211.8	210.6	0.3	0.9

UNITED STATES LABOR FORCE ESTIMATES APRIL	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	113,245	112,912	110,975	0.3	2.0
Employment	104,402	104,140	99,606	0.2	4.8
Unemployment	8,843	8,772	11,369	0.8	-22.2
Unemployment Rate	7.8	7.8	10.2	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* APRIL	(In Thousands) Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	497.7	496.7	469.9
All Manufacturing (Excluding Canning)	491.5	490.4	463.6
Durable Goods	312.2	312.4	288.8
Lumber and Wood Prod., (Except Furniture)	22.0	21.4	19.2
Sawmills and Planning Mills	2.7	2.7	2.6
Millwork, Veneer, Plywood & Prefab. Wood Prod.	9.7	9.5	8.8
Furniture and Fixtures	9.3	9.3	8.6
Household Furniture	4.5	4.5	4.1
Stone, Clay and Glass Products	8.4	8.0	7.5
Concrete, Gypsum and Plaster Products	3.7	3.4	3.2
Primary Metal Industries	18.7	19.3	16.9
Iron and Steel Foundries	10.7	10.7	9.1
Fabricated Metal Products	50.2	50.5	47.4
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.0	4.9	4.9
Fabricated Structural Metal Products	11.8	11.9	10.9
Metal Stampings	12.5	12.6	12.2
Machinery (Except Electrical)	97.4	97.7	91.7
Engines and Turbines	21.0	21.1	19.0
Farm Machinery and Equipment	12.7	12.8	12.7
Const., Min. & Material Handling Mach. & Equip.	13.0	13.3	12.0
Metalworking Machinery and Equipment	9.9	9.9	9.6
Special Industry Machinery (Except Metalworking)	9.6	9.7	9.5
General Industrial Machinery and Equipment	13.8	13.7	12.6
Service Industry Machines	7.4	7.4	7.4
Electrical Machinery, Equipment and Supplies	50.3	50.0	47.2
Electrical Industrial Apparatus	17.5	17.5	16.2
Household Appliances	6.5	6.5	6.2
Transportation Equipment	35.7	36.0	29.9
Motor Vehicles and Equipment	28.7	28.8	24.0
Instruments and Related Products	10.1	10.2	10.2
Miscellaneous Manufacturing	10.1	10.1	10.1
Nondurable Goods	185.6	184.3	181.2
Food and Kindred Products	57.6	57.1	57.7
Meat Products	13.3	13.3	12.7
Dairy Products	16.6	16.2	16.5
Canning and Preserving	6.2	6.3	6.3
Bakery Products	4.6	4.6	4.8
Beverage Industries	9.7	9.5	10.5
Textile Mill Products	4.7	4.5	4.2
Knitting Mills	3.9	3.7	3.5
Apparel and Other Finished Products	6.9	6.7	6.4
Paper and Allied Products	46.4	46.4	45.7
Pulp and Paper Mills	28.9	28.8	28.6
Converted Paper and Paperboard Products	9.1	9.2	8.9
Paperboard Containers and Boxes	7.3	7.2	7.0
Printing, Publishing and Allied Industries	33.5	33.4	32.5
Newspapers	10.8	10.8	10.4
Commercial Printing	14.0	13.8	13.3
Chemicals and Allied Products	9.2	9.1	9.2
Rubber and Misc. Plastics Products	18.6	18.3	16.8
Miscellaneous Plastics Products	14.1	14.0	12.9
Leather and Leather Products	8.4	8.5	8.3
Leather Tanning and Finishing	2.2	2.4	2.5
Footwear (Except Rubber)	4.4	4.4	4.2
Other Nondurable Goods	-	-	-

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$417	$417	$392	41.3	41.2	40.2
All Manufacturing (Excl. Canning)	419	419	394	41.4	41.3	40.3
Durable Goods	430	427	399	41.7	41.4	40.3
Lumber/Wood Prod. (Exc. Furn.)	303	306	293	41.1	41.1	40.7
Furniture and Fixtures	315	314	289	42.4	42.1	41.0
Stone, Clay and Glass Products	389	382	359	41.6	41.5	41.0
Primary Metal Industries	411	404	371	42.6	42.0	39.1
Iron and Steel Foundries	428	417	373	42.8	42.2	38.5
Fabricated Metal Products	415	410	392	41.0	40.6	40.2
Fab. Structural Metal Prod.	416	413	406	42.7	42.1	41.1
Metal Stampings	390	382	363	39.2	38.9	39.1
Machinery (Except Electrical)	484	494	436	41.9	42.3	39.6
Engines and Turbines	514	552	470	42.0	43.0	39.0
Farm Machinery and Equip.	530	533	485	41.7	42.1	40.4
Const. and Related Mach.	493	494	434	40.9	41.3	39.2
Metalworking Mach. and Equip.	475	476	428	41.4	41.4	39.2
Spec. Ind. Mach. (Exc. Metal).	502	507	456	45.5	46.5	44.5
Gen. Industrial Mach. and Equip.	483	487	427	41.2	41.7	39.2
Electrical Mach., Equip. and Supp.	388	389	363	40.8	40.9	39.4
Electrical Industrial Apparatus	417	424	380	40.9	41.5	38.8
Transportation Equipment	565	534	561	43.1	41.4	43.8
Instruments and Related Prod.	334	311	317	40.9	38.2	37.9
Nondurable Goods	397	400	382	40.7	40.9	40.2
Food and Kindred Products	376	379	379	38.7	39.2	39.1
Meat Products	365	377	387	38.3	38.7	38.1
Dairy Products	362	361	353	39.0	39.2	39.4
Textile Mill Products	276	281	264	40.7	40.5	39.1
Apparel and Other Fin. Prod.	230	226	214	38.5	37.8	37.8
Paper and Allied Products	485	489	450	44.5	44.7	43.7
Pulp and Paper Mills	525	528	483	45.9	46.0	45.0
Printing, Pub. and Allied Prod.	449	459	410	40.1	40.3	38.1
Chemicals and Allied Products	451	448	435	42.2	42.3	42.1
Rubber and Misc. Plastics Prod.	324	323	313	39.9	40.2	39.5
Leather and Leather Products.	259	257	259	38.6	38.4	38.5

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* APRIL	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.10	10.12	9.74	9.74	9.73	9.44
All Manufacturing (Excl. Canning)	10.13	10.15	9.78	9.77	9.76	9.48
Durable Goods	10.30	10.32	9.90	9.97	9.95	9.65
Lumber/Wood Prod. (Exc. Furn.)	7.38	7.44	7.20	7.33	7.40	7.05
Furniture and Fixtures	7.43	7.45	7.05	7.29	7.28	7.02
Stone, Clay and Glass Products	9.34	9.20	8.75	9.03	8.90	8.58
Primary Metal Industries	9.65	9.61	9.50	9.23	9.22	9.26
Iron and Steel Foundries	9.99	9.89	9.68	9.56	9.50	9.49
Fabricated Metal Products	10.12	10.09	9.76	9.68	9.60	9.39
Fab. Structural Metal Prod.	9.74	9.82	9.87	9.38	9.44	9.55
Metal Stampings	9.94	9.82	9.28	9.74	9.64	9.09
Machinery (Except Electrical)	11.54	11.67	11.01	11.22	11.23	10.86
Engines and Turbines	12.24	12.83	12.06	11.82	12.08	11.89
Farm Machinery and Equip.	12.72	12.67	12.00	12.40	12.33	11.90
Const. and Related Mach.	12.05	11.97	11.06	11.92	11.80	10.92
Metalworking Mach. and Equip.	11.48	11.49	10.93	11.12	11.15	10.73
Spec. Ind. Mach. (Exc. Metal).	11.03	10.91	10.25	10.58	10.49	10.03
Gen. Industrial Mach. and Equip.	11.73	11.69	10.88	11.38	11.28	10.68
Electrical Mach., Equip. and Supp.	9.52	9.52	9.21	9.31	9.30	9.07
Electrical Industrial Apparatus	10.19	10.22	9.79	9.99	9.95	9.69
Transportation Equipment	13.10	12.90	12.81	12.56	12.43	12.20
Instruments and Related Prod.	8.17	8.15	8.37	8.09	8.14	-
Nondurable Goods	9.75	9.77	9.49	9.31	9.32	9.08
Food and Kindred Products	9.72	9.67	9.70	9.34	9.30	9.25
Meat Products	9.53	9.75	10.17	9.33	9.53	9.80
Dairy Products	9.29	9.22	8.97	8.99	8.93	8.67
Textile Mill Products	6.79	6.94	6.74	6.63	6.75	6.58
Apparel and Other Fin. Prod.	5.97	5.99	5.65	5.89	5.88	5.53
Paper and Allied Products	10.90	10.93	10.30	10.40	10.40	9.82
Pulp and Paper Mills	11.43	11.48	10.73	10.88	10.90	10.21
Printing, Pub. and Allied Prod.	11.20	11.38	10.76	-	-	-
Chemicals and Allied Products	10.69	10.59	10.33	10.33	10.22	10.06
Rubber and Misc. Plastics Prod.	8.13	8.03	7.92	7.83	7.74	7.72
Leather and Leather Products.	6.71	6.68	6.74	6.56	6.56	6.68

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) APRIL	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	373	371	349	40.9	40.7	39.8	9.13	9.11	8.77	-	-
Wisconsin	417	417	392	41.3	41.2	40.2	10.10	10.12	9.74	9.74	9.73
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	409	410	389	42.1	42.1	41.7	9.72	9.74	9.34	9.31	9.32
Beloit (City)	396	410	405	42.0	43.2	44.0	9.42	9.49	9.20	-	-
Eau Claire (Eau Claire-Chippewa)	408	407	384	41.8	41.5	41.3	9.76	9.80	9.29	9.56	9.51
Fond du Lac (County)	399	366	341	43.8	40.4	40.1	9.09	9.07	8.51	8.79	8.93
Green Bay (Brown County)	426	433	416	40.5	41.1	41.2	10.53	10.54	10.09	10.07	10.02
Janesville (City)	627	506	563	44.8	39.2	45.0	13.99	12.92	12.51	13.37	12.76
Janesville-Beloit (Rock County)	522	453	469	43.3	40.3	43.8	12.05	11.24	10.71	11.44	11.01
Kenosha (County)	467	476	472	39.9	40.2	41.0	11.71	11.84	11.52	11.42	11.45
La Crosse (County)	350	341	348	39.1	39.0	39.2	8.94	8.74	8.88	8.56	8.34
Madison (Dane County)	385	379	377	40.3	40.4	39.9	9.55	9.39	9.46	9.15	9.02
Manitowoc (County)	346	338	320	39.4	38.4	38.8	8.77	8.82	8.24	8.69	8.71
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	465	472	433	41.5	41.9	40.0	11.21	11.27	10.82	10.77	10.71
Racine (County)	428	429	403	41.1	41.1	40.0	10.41	10.43	10.07	10.07	10.05
Sheboygan (County)	391	370	358	40.7	39.5	38.7	9.61	9.37	9.24	9.23	9.08
Wausau (Marathon County)	375	372	362	41.0	40.7	40.9	9.15	9.15	8.85	8.77	8.83

EMPLOYMENT, MFG. (Unadjusted) APRIL	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,579.0	19,457.0	18,295.0	0.6	7.0
Wisconsin	497.7	496.7	469.9	0.2	5.9
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	46.3	46.1	43.9	0.4	5.5
Beloit (City)	5.4	5.6	6.0	-3.6	-10.0
Eau Claire (Eau Claire-Chippewa)	8.9	8.7	8.4	2.3	6.0
Fond du Lac (County)	9.7	9.6	9.4	1.0	3.2
Green Bay (Brown County)	20.9	20.9	19.8	0.0	5.6
Janesville (City)	10.9	10.9	8.7	0.0	25.3
Janesville-Beloit (Rock County)	18.6	18.6	16.5	0.0	12.7
Kenosha (County)	16.8	17.3	15.0	-2.9	12.0
La Crosse (County)	10.1	10.0	9.8	1.0	3.1
Madison (Dane County)	18.6	18.8	18.4	-1.1	1.1
Manitowoc (County)	10.6	11.0	11.6	-3.6	-8.6
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	169.3	169.4	161.3	-0.1	5.0
Racine (County)	24.8	24.8	22.5	0.0	10.2
Sheboygan (County)	17.9	17.7	16.7	1.1	7.2
Wausau (Marathon County)	11.4	11.4	10.4	0.0	9.6

WISCONSIN'S ECONOMIC OUTLOOK

by David H. Peterson
Department of Revenue

As the national economic recovery enters its sixth quarter, most key indicators point toward continued expansion for the balance of 1984. Inflation-adjusted Gross National Product surged ahead at a stronger than expected rate in the first quarter of 1984, and the annual average increase for the year is now projected at 5.9 percent. But, this near-term economic vigor may help set the stage for a sharp drop in business activity in 1985. The pace of expansion has renewed fears that an overheated economy could rekindle inflation.

The pattern of economic growth is not as straightforward as the first quarter data would suggest. Gains in such key indicators as personal income, industrial production, and the average work week, posted their largest increases in January, followed by lower growth rates in February and a further slackening in March. The civilian unemployment rate has also demonstrated some volatility. After dropping 0.2 percent or more in each of the six preceding months, it held steady at 7.8 percent in March. However, both production and employment growth improved in April.

With interest rates now rising, the economy will pay the price in the coming months in the form of slower growth. Although first quarter retail sales were excellent--up 14.5 percent at an annual rate--stemming from an 8 percentage point improvement in consumer confidence and a 13.8 percent rate of expansion in disposable income, the current quarter should not be as good. Rising mortgage and auto loan interest rates and retail price increases are likely to dampen the consumers' spirits.

The most foreboding news of the day is the renewed pressure on interest rates and the continuing deterioration of the nation's foreign trade outlook. Housing starts are projected to drop from the 1.95 million unit level posted in the first quarter, to 1.6 million a year from now. Auto sales are also expected to edge down from the current rate of 10.6 million units to 10.4 million units by year end. A stubbornly strong dollar continues to undermine U.S. competitiveness in world trade, making imports a bargain and pricing exports at a premium.

The outlook for 1985 and beyond is considerably more uncertain. A continuation of strong economic growth next year can occur only if the ongoing conflict between monetary and fiscal policy is resolved and wage settlements are restrained.

The other key piece of next year's economic puzzle is inflation. Although price performance this year is expected to show continued moderation, with the Consumer Price Index (CPI) increasing 4.7 percent, compared to last year's gain of 3.2 percent, inflation is on an upward tilt again and will bear close watching in the coming months. The March producer price index report indicated that prices, excluding volatile energy and food components, accelerated 0.9 percent for finished consumer goods and 0.6 percent for intermediate goods. Tighter labor markets and rising profits will generate accelerating wage increases which could be quickly passed on in prices since the cyclical gains in productivity are now behind us. Wage gains are projected at 6.5 percent for 1985, compared to 5.4 percent this year and 5.6 percent in 1983.

The large degree of uncertainty about the outlook for next year can be better understood by exploring the alternatives to the federal budget and inflation outlook. If current tight monetary policy and loose fiscal policy continue unchanged, real output could continue to expand this year and average 6.2 percent for the full year. Rising credit demands from consumers and business for capital expansion would then probably put additional pressure on financial markets and cause interest rates to rise sharply later this year and in early 1985. The strength of final demand would also boost inflation, with consumer prices rising at 6.0 percent to 6.5 percent annual rates during the same period. The Federal Reserve might then be compelled to tighten monetary policy further, raising the federal funds rate to 13.6 percent by mid-1985. Consumer and business confidence would then be expected to rapidly wane, pushing the economy into a recession in the final half of next year.

Another threat to sustained economic recovery is the possibility of a protracted UAW labor strike or large settlement for the next three-year contract. A large settlement would set the pattern for other labor contracts during 1985, thereby pushing prices onto a higher path and real output onto a lower growth path, assuming once again that the Federal Reserve refuses to accommodate higher inflation.

Notwithstanding the uncertainty in the long run, it is reasonable to expect a continuation of the recovery this year but at a slower pace.

Wisconsin Economic Outlook

The Wisconsin economy is clearly showing the signs of a healthy revival from the past recession. Although slow to get started, the performance over the last six months has been up to par with the nation. A total of 50,400 new jobs were added to the economy from the third quarter last year through the first quarter this year. After lagging national employment gains early in the recovery, total nonfarm employment grew at an annual rate of 6.4 percent in the fourth quarter of 1983 and at the rate of 4.7 percent in the first quarter this year. This compares to growth rates of 4.9 percent and 4.0 percent, respectively, for the U.S. as a whole.

The sources of recent strength for Wisconsin employment have been the traditional ones for the early phases of a recovery. Goods producing industries (manufacturing, mining, and construction) have contributed over 64 percent of the total increase in employment since the Wisconsin economy bottomed out. Employment increases in durable manufacturing alone comprised 47 percent of the total gain. Employment in this sector has led Wisconsin's recovery in the first year, growing by 8.7 percent. Construction employment has also recovered sharply, growing 7.6 percent over the past year. It should be remembered, however, that these industries suffered the most severe employment losses during the recent recession and that current employment levels are far below the pre-recession peaks. Employment gains in trade and services also contributed significantly to the increase in total employment, but the contribution was due to the large size of these industries and not to a rapid rate of growth.

Incomes in Wisconsin are also currently growing at a healthy pace. Total personal income, adjusted for inflation, grew at an annual

rate of 6.9 percent in the fourth quarter last year and grew at an annual rate of 11.5 percent in the first quarter of this year. This first quarter income results will be distorted by the PIK program effects on farm income, but even PIK-adjusted income would show healthy gains. Real personal income should grow by an average of 4.2 percent this year over last.

Total nonfarm employment is expected to continue growing by nearly 3.0 percent for the remainder of this year, ending the year at a level of 1934.1 million, which is 3.4 percent above the level recorded one year earlier. This represents an increase of 42,000 jobs over the current level. Of these, 15,000 are expected to be regained in durable goods industries, which are forecast to grow at a 6.7 percent rate for the remainder of 1984. This would leave employment in durable goods industries at a level of 329,000--68,000 jobs fewer than the peak level in 1979. Most of the remaining employment growth in 1984 is expected to come from trade and service industries which are forecast to grown at an annual rate of between 2 and 3 percent. Average year-over-year growth for total employment is expected to be 3.5 percent for Wisconsin, compared to 3.7 percent nationally.

The Wisconsin outlook for 1985 is much more problematic than this year, with the major questions linked to the uncertainties associated with the national outlook. A slowdown of growth in the national economy will slow economic growth in Wisconsin. However, real personal income is expected to grow at a 3.1 percent rate next year, and total employment growth will slow to a 2.6 percent growth rate. Because of the forward momentum built up this year, and because there will be a lag before the anticipated increases in interest rates will effect durable goods production, Wisconsin economic performance next year should be slightly better than the U.S. Real personal income growth is expected to be 0.6 percent higher than the U.S., and total employment growth 0.1 percent higher than the U.S.

The risks associated with the Wisconsin forecast are outside the control of business and government policy makers in Wisconsin. Actions or inactions affecting the federal deficit, inflation, and foreign exchange rates will largely determine thh economic course for Wisconsin next year. Indeed, the risks associated with the national forecast may be more pronounced for Wisconsin because of the dominance of durable goods industries, which are particularly sensitive to interest rates and foreign competition. In the short run, however, economic conditions should remain robust, and little is foreseen that could derail the prospects for continued growth through the end of this year.

WISCONSIN EMPLOYMENT AND ECONOMIC INDICATORS

WISCONSIN EMPLOYMENT SUMMARY
Employment (Thousands of Workers, Annual Average)

	1982	1983	1984	1985
MANUFACTURING-DURABLE	310.8	295.4	321.0	338.0
% CHANGE	-11.6	-4.9	8.6	5.3
MANUFACTURING-NONDURABLE	187.4	187.7	191.5	193.2
% CHANGE	-2.4	0.2	2.0	0.9
MINING	1.9	2.2	2.4	2.4
% CHANGE	-18.4	16.5	7.8	-1.4
CONSTRUCTION	56.9	55.0	62.5	62.2
% CHANGE	-12.2	-3.5	13.8	-0.6
TRANS., COMM., UTILITIES	89.4	85.2	87.9	89.2
% CHANGE	-3.1	-4.8	3.2	1.4
FINANCE, INSURANCE, REAL ESTATE	95.8	97.2	99.1	102.7
% CHANGE	0.9	1.4	2.0	3.6
TRADE	428.9	426.4	438.8	452.3
% CHANGE	-0.8	-0.6	2.9	3.1
SERVICES	381.4	385.8	394.0	405.1
% CHANGE	1.7	1.1	2.1	2.8
ALL GOVERNMENT	314.1	313.9	315.5	316.5
% CHANGE	-1.2	0.0	0.5	0.3
TOTAL EMPLOYMENT (Nonfarm)	1866.7	1848.9	1912.7	1961.5
% CHANGE	-2.9	-1.0	3.5	2.6

WISCONSIN MANUFACTURING EMPLOYMENT FORECAST: INDUSTRY DETAIL
(THOUSANDS OF WORKERS)

	QUARTERLY DATA						ANNUAL DATA			
	83:3	83:4	84:1	84:2	84:3	84:4	1982	1983	1984	1985
ALL MANUFACTURING	481.6	495.2	504.1	508.7	515.2	521.9	498.2	483.2	512.5	531.2
% CHANGE	0.6	11.8	7.4	3.7	5.2	5.3	-8.3	-3.0	6.1	3.7
DURABLES	294.4	304.7	313.7	317.5	323.4	329.3	310.8	295.4	321.0	338.0
% CHANGE	0.8	14.7	12.3	5.0	7.6	7.5	-11.6	-4.9	8.6	5.3
LUMBER PRODUCTS	20.5	20.8	21.5	22.1	22.5	22.7	18.3	20.0	22.2	22.6
% CHANGE	12.7	7.9	13.0	12.4	7.0	2.7	-10.5	9.4	11.0	1.7
STONE,CLAY GLASS	7.9	8.1	8.9	9.0	9.0	9.0	7.9	7.9	9.0	8.9
% CHANGE	6.4	12.0	41.7	5.1	3.0	0.4	-8.7	-0.5	13.7	-1.1
PRIMARY METALS	18.0	18.7	19.0	19.2	19.6	20.2	20.1	17.6	19.5	21.3
% CHANGE	19.1	17.8	6.4	4.6	8.9	11.3	-20.6	-12.4	10.5	9.1
FABRICATED METALS	49.1	49.8	50.4	50.6	51.8	53.2	50.7	48.6	51.5	56.6
% CHANGE	8.1	5.4	5.4	1.0	9.8	11.8	-11.4	-4.1	5.9	10.0
NON-ELEC MACH.	88.6	93.0	96.9	98.5	101.6	104.9	103.9	91.4	100.5	108.8
% CHANGE	-17.4	21.3	18.0	6.7	13.1	13.6	-12.2	-12.1	10.0	8.2
ELECTRICAL MACH.	48.9	49.5	49.9	50.2	50.4	50.4	50.0	48.2	50.2	50.3
% CHANGE	12.9	4.9	3.7	2.6	1.3	0.2	-9.9	-3.7	4.3	0.0
TRANS. EQUIPMENT	32.5	35.6	37.2	37.7	38.0	38.2	29.9	32.9	37.8	38.4
% CHANGE	9.3	43.8	18.7	6.0	3.6	1.9	-10.5	10.1	14.8	1.6
OTHER DURABLES	28.9	29.1	29.9	30.2	30.4	30.7	29.9	28.8	30.3	31.2
% CHANGE	4.8	2.9	10.2	4.0	3.5	3.2	-7.6	-3.5	4.9	3.1
NONDURABLES	187.2	190.5	190.4	191.2	191.8	192.6	187.4	187.7	191.5	193.2
% CHANGE	0.2	7.3	-0.2	1.6	1.3	1.5	-2.4	0.2	2.0	0.9
FOOD PRODUCTS	61.8	62.8	62.3	62.3	62.2	62.2	63.0	62.3	62.3	61.8
% CHANGE	-4.0	6.9	-3.3	0.2	-0.5	-0.2	-1.8	-1.1	-0.1	-0.7
PAPER PRODUCTS	46.4	47.2	46.8	46.8	46.8	46.9	46.7	46.5	46.9	46.9
% CHANGE	-0.9	6.8	-2.7	-0.2	0.2	0.7	-2.4	-0.3	0.7	0.0
PRINTING, PUBLISH	32.8	33.0	33.3	33.9	34.4	34.8	32.5	32.7	34.1	35.8
% CHANGE	-0.1	2.5	4.7	6.8	5.6	5.7	0.5	0.7	4.2	4.8
CHEMICAL PRODUCTS	9.3	9.3	9.2	9.2	9.2	9.1	9.3	9.2	9.2	9.2
% CHANGE	1.4	-0.6	-1.6	-1.6	-1.3	-0.2	-6.0	-1.1	-0.5	-0.2
RUBBER, PLASTICS	17.2	18.0	18.3	18.5	18.6	18.7	16.5	17.2	18.5	18.9
% CHANGE	10.0	20.9	5.8	3.8	3.6	2.8	-6.2	4.1	7.8	1.8
OTHER NONDURABLES	19.8	20.3	20.5	20.5	20.6	20.7	19.4	19.7	20.6	20.8
% CHANGE	9.2	10.4	3.3	1.3	1.7	1.7	-3.7	1.8	4.4	1.0

Department of Industry,
Labor and Human Relations

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